

MENTAL HEALTH AND DISABILITY SERVICES COMMISSION

July 19, 2012, 9:30 am to 3:00 pm
United Way Conference Center, Room E
1111 9th Street, Des Moines, IA
MEETING MINUTES

MHDS COMMISSION MEMBERS PRESENT:

Lynn Crannell	Laurel Phipps (by phone)
Richard Crouch	Deb Schildroth
Lynn Grobe	Patrick Schmitz
Richard Heitmann	Susan Koch-Seechase
Chris Hoffman	Dale Todd
David Hudson (by phone)	Suzanne Watson
Gary Lippe	Gano Whetstone
Zvia McCormick	Jack Willey

MHDS COMMISSION MEMBERS ABSENT:

Senator Merlin Bartz	Senator Jack Hatch
Neil Broderick	Representative Dave Heaton
Jill Davisson	Representative Lisa Heddens

OTHER ATTENDEES:

Pam Alger	DHS, Targeted Case Management
Robert Bacon	U of Iowa Center for Disabilities and Development
David Basler	ChildServe
Kris Bell	Senate Democratic Caucus
Teresa Bomhoff	Iowa Mental Health Planning Council/NAMI
Eileen Creager	Aging Resources of Central Iowa
Kristi Dierking	Warren County CPC Administrator
Patty Erickson-Putmann	Woodbury County CPC Administrator
Marissa Eyanson	Easter Seals
David Higdon	Polk County Health Services
Deb Johnson	DHS, Iowa Medicaid Enterprise
Todd Lange (by phone)	Office of Consumer Affairs/IAMHR
Liz Matney	DHS, Iowa Medicaid Enterprise
Liz O'Hara	U of Iowa Center for Disabilities & Development
Chuck Palmer	DHS Director
John Pollak	Legislative Services Agency
Eric Preuss	Iowa Department of Public Health
Natasha Retz	Brain Injury Alliance of Iowa
Ann Riley	U of Iowa Center for Disabilities & Development
Rick Shults	DHS, Administrator MHDS Division
Karen Walters-Crammond	Polk County Health Services
Robyn Wilson	DHS, MHDS Community Services & Planning

WELCOME AND CALL TO ORDER

Jack Willey called the meeting to order at 9:35 a.m. and led introductions.

APPROVAL OF MINUTES

Richard Crouch made a motion to approve the minutes of the May 17, 2012 and June 21, 2012 meetings as presented. Patrick Schmitz seconded the motion. The motion passed unanimously.

UPDATE ON COUNTY TECHNICAL ASSISTANCE ACTIVITIES

Robyn Wilson updated the Commission on DHS county technical assistance activities. Robyn reported that she and Julie Jetter have visited 66 counties in the last two months. They visited with CPC Administrators and, in some cases with county supervisors, and worked on budgets with 61 of the counties, and talked about regionalization, residency, and answered questions for the other five counties:

- Thirty-four counties have no critical financial issues in Fiscal Year 2013 and expect to make it through without reductions in services or waiting lists. Five of those counties may have financial issues in 2014 and some expressed concerns regarding residency and the lowering of their tax levy rates.
- Seventeen counties have the resources to fund local administrative costs and local provider costs, but are not able to cover state bills from Medicaid and the State Resource Centers and will probably not have the ability to cover those costs for the long term.
- Seven counties have the resources to fund local administrative costs and local provider costs, but have short term issues with state billings and potentially may be able to pay them after fall property tax billings are collected.
- Three counties have cash flow issues for other reasons or have other budget issues that they still working on.

Waiting List Information - Robyn shared a handout showing the 18 counties with established waiting lists for services and the start dates of the waiting lists:

- Polk County has had a continuous waiting list since June 2006
- Clinton, Osceola, and Linn Counties all had waiting lists before 2012
- Ten counties (Calhoun, Sac, Lucas, Allamakee, Warren, Poweshiek, Sioux, Dickinson, Plymouth, and Des Moines) started waiting lists between January 1 and June 30, 2012
- Four counties (Lyon, Monona, Story, and Woodbury) started waiting lists on July 1, 2012
- The majority of waiting lists were started before the Redesign legislation
- In smaller counties, there may only be a few people on the waiting list
- In some counties the waiting list is only for 100% county funded services; in other counties outpatient mental health services have been excluded

- To see exactly what is and is not on each county's waiting list, go to the DHS website where county plan information is posted:
http://www.dhs.state.ia.us/mhdd/county_system/county_policies.html
- In most counties people are wait listed on a first come first served unless it is an emergency situation (such as an immediate need for hospitalization)

Commission members asked DHS to gather more information on the following questions:

1. Number of people currently on county waiting lists for services.
2. Number of months or years people can expect to be on the waiting list.
3. Specific services requested by the people on the waiting list.
4. Number of people who have been notified that their services will be reduced or eliminated.
5. To what extent alternative funding sources have been identified for services that have been cut by counties.
6. Number of people dropped from county funding to Medicaid funding.
7. Number of people above 150% of FPL (Federal Poverty Level) that now have to pay a co-pay.
8. Number of people dropped from services because of implementing the 150% of FPL limitation.

In response to a question, Robyn explained that under current Iowa law, no co-pays are allowed for persons under 150% of FPL. If a person's income is over 150% FPL, the county is not required to pay for services at all, so offering services with a co-pay would be a benefit to them.

Summary of County Plan Amendments – Robyn's handout also shows a brief summary of county management plan amendments made since April 2009.

Robyn noted that there will be plan amendments coming soon for about 10 counties that are joining the CSS (County Social Services) region, and probably about 10 other counties that will also have plan amendments in the next few months. The majority of counties will probably keep their plans as they are now until regions are formed.

Robyn explained that when plan changes are noted as "friendly amendments" that means that the changes did not adversely impact consumers in terms of reductions in service, restrictions in eligibility, or increased costs. Only plans changes that have potentially adverse effects on consumers of services are brought before the Commission for approval. Some plan changes that resulted in reductions or restrictions have been a result of counties that were doing more than was required of them reducing eligibility or other standards to the required level. (For example, counties who were serving people up to 200% of FPL and reduced financial eligibility to 150% of FPL.)

Some of the plan amendments were also a result of counties deciding to work together and making changes to their individual plans to bring all the plans in a group of counties into alignment.

In response to a question, Robyn said that the State does not routinely collect and compile waiting list information from counties. Waiting list numbers are included in the annual reports that counties turn in to the Department on December 1 each year. The reports filed on December 1, 2012 will contain the information for Fiscal Year 2012.

Rick Shults indicated that part of the information being discussed is data that the Department is gathering related to the transition process, and while that is not yet complete, it would be one step and could provide a model for gathering information from other counties that do not apply for transition funds. That is envisioned as happening about the middle of October. He said that legislators want to make decisions based on information about what is really happening in the counties and expect to have data to show that.

Teresa Bomhoff commented that there have been anecdotal reports that counties have decided not to continue to fund RCFs (Residential Care Facilities) because such congregate facilities do not qualify for Medicaid funding and as a result RCFs may have to close down. Rick responded that it is important to gather specific data and be cautious about over-generalizing without relying on actual data. Uncertainty has caused a lot of anxiety and uncertainty about things that may or may not happen; at the same time there are people who have wanted to move from congregate care facilities and resources are now being made more available to assist with that. Rick said it is important that we understand the true extent of the challenges.

Residential Care Facilities of 16 beds and larger are considered IMDs (Institutions for Mental Disease) by Medicaid and states are prohibited from providing residential services in those settings with Medicaid funding. Some Medicaid services can be provided to individuals living in larger facilities, but they are limited to day services, not the cost of the residential services. Rick indicated the Department wants to hear about facilities that are having difficulties and what specific issues they are experiencing. Medicaid eligibility and Medicaid spend-down issues have been brought up. There are people who, with spend-down, would be eligible for Medicaid and that could stabilize their residential setting. We need to look at what that means for them and for counties. He also noted that some larger facilities have residents from multiple counties; some of the counties are facing funding issues and others are not.

Lynn Crannell asked about data collection. Robyn responded that there are administrative rules that specify what data DHS must collect from counties and some of the things that have been discussed today are not included in what DHS collects. Waiting list figures are reported after the fact, and then only the number of people on waiting lists is reported, not what services they are waiting for or how long they have been on the list. The information reported does not include that kind of detail.

Patrick Schmitz asked if CSN (Community Services Network) now collects some of that information and if it could be used. Rick Shults responded that there is a Data and Statistical Workgroup that will be looking at technical and systems issues such as:

- What data collection systems exist and what kind of data we currently collect?
- How is data extracted?
- How can it be pulled from various sources?
- How could systems be pulled together to have more frequent and more contemporaneous reports?
- How do we make the process of data collection and reporting as efficient as possible?
- Are we gathering all the information we need?
- Are we using all the information we gather?

There is also an Outcomes and Performance Measures Workgroup that will be recommending certain outcomes to be reported regularly and used as dashboard indicators.

COUNTY PLAN AMENDMENTS

Clay County - Robyn Wilson and Julie Jetter shared a handout outlining three proposed changes to the Clay County Management Plan. These changes were not presented for Commission approval because they are “friendly” amendments, which are not adverse to consumers:

- All providers which are part of the Clay County service network will be designated as access points *(reflecting a change to resident counties taking applications)*
- Persons receiving services funded by the county who have income exceeding 150% of FPL will have a co-pay based on the county’s sliding fee scale *(reflecting use of a simplified county fee scale)*
- Resource exemptions now include:
 1. Burial spaces or burial trust funds up to \$10,000 *(no dollar amount included previously)*
 2. Face value of life insurance and cash surrender of life insurance with a face value of less than \$1500 on any one person *(previously counted cash value of life insurance regardless of amount)*
 3. A retirement account that is in the accumulation stage; a medical savings account; an assistive technology account *(previously these types of accounts were not exempted)*

Page County - Robyn presented two proposed amendments to the Page County Management Plan for Commission approval.

1. Services Available: *(new language added)* “Unless otherwise noted, Page County reserves the right to reduce or eliminate services as needed to remain within the limits of the Page County Mental Health Budget.”
2. Vocational and Day Services: *(new language added)* “Vocational Services may be funded by the county for up to 3 full days per week, depending on the individuals current work schedule.”

These changes reflect their preference not to institute a waiting list, but to reduce units of service per client and continue serving existing clients, but in some cases with a lower level of support.

The change in vocational and day services is expected to affect about 30 people, but they would be eligible for other day services funded by Medicaid, which could include supported employment, pre-vocational services, day care, and day habilitation. They would still have day programming, but it would not be in work activity or sheltered workshop. Dale Todd said he would like the Commission to see data on how many people are being moved from employment to day care types of programming.

Several Commission members indicated that the first amendment to Services Available seemed overly broad. Robyn responded that the intent, which is to have the ability to reduce services that are not related to health and safety to remain within budgetary constraints, is not unusual in county management plans and many other counties have a similar provision, although it may be worded differently.

Deb Schildroth commented that the Story County Plan has a blanket statement that services will be provided within a fixed county budget, and that this language seems to be trying to get at the same idea. She also noted that it is important to look at whether there are other resources to pick up funding for services the counties are not going to continue to pay. Several members said they were reluctant to approve the amendment as worded. Suzanne Watson commented that she believes many counties are already doing these things under their plans.

Teresa Bomhoff expressed reservations about trying to avoid waiting lists because waiting lists are a way to establish the need for services that are currently not available or not funded.

Gary Lippe made a motion to approve the change to Vocational and Day Services as presented, and ask Page County to clarify the Service Available change and resubmit new language. Gano Whetstone seconded the motion.

- In favor: Gary Lippe, Gano Whetstone, Zvia McCormick, David Hudson (by phone).
- Opposed: Lynn Crannell, Richard Crouch, Lynn Grobe, Richard Heitmann, Chris Hoffman, Deb Schildroth, Patrick Schmitz, Susan Koch-Seechase, Dale Todd, Suzanne Watson, Jack Willey

The motion failed.

Patrick Schmitz made a motion to table the request for approval until the next meeting and request language clarification from Page County. The motion was seconded by Richard Crouch. The motion passed unanimously.

REDESIGN WORKGROUPS

Rick Shults gave an update on the MHDS Redesign Workgroups. He shared a handout showing the FY 2012 workgroups:

- Transition Committee
- Judicial Workgroup
- Children's Workgroup
- Data and Statistical Workgroup
- Outcomes Workgroup
- Workforce Workgroup
- Continuum of Care/Array of Services Workgroup

Information on all of the workgroups, including membership, meeting schedules, meeting agendas, minutes, and handouts will be available on the Redesign website at: www.dhs.state.ia.us/Partners/MHDSRedesign.html

The workgroups will function in much the same manner as they did last year. There will be a Chair and a Co-Chair and most groups will also have a facilitator. The meetings will be open to the public and DHS has arranged for larger rooms this year, as they often became overcrowded during last year's meetings. There will also be the same process of providing time for public comment twice during the day – once just before lunch and once at the end of the meeting.

The meeting schedule is now available. Most of the meetings will be held at Polk County River Place, with the Judicial Workgroup meeting at the Capitol. Membership lists for all the workgroups will be available on the website.

Transition Committee – The Transition Committee will meet on July 31. Several legislators are participating on the workgroup and they will have an opportunity to hear some of the challenges that have been discussed here today. The legislative members are Senator Jack Hatch, Senator Pat Ward, Representative Lisa Heddens, and Representative Dave Heaton. Jack Willey and Patrick Schmitz are also members of the Transition Committee.

Judicial Workgroup – The Judicial Workgroup that began meeting more than a year ago is continuing its charge.

Children's Workgroup – The Children's Disability Services Workgroup is also going into its second year of work. They are looking at the current publicly funded children's system and how it should operate so that children with disabilities and their families get the services and supports they need.

Data and Statistical – The Service System Data and Statistical Information Integration Workgroup is going to be working closely with ISAC (Iowa State Association of Counties) and the CSN (County Services Network) system in addressing how to get current information and link existing data systems together. They meet on August 7th.

Outcomes – The Outcomes and Performance Measures Workgroup will meet on July 23rd. They will be building on the foundation work that the Commission did a few years ago, as well as some of the more current conversations on waiting lists and other items.

Workforce – The Workforce Workgroup has yet to be organized. DHS will be working with the Iowa Department of Public Health on that.

Continuum of Care – There will also be another workgroup in addition to those specified in the Redesign legislation. It will be called the Continuum of Care/Array of Services Workgroup and will include discussions about how to ensure an appropriate array of services for people statewide, including conversations about residential care facilities and the role they play. The charge and membership for the Continuum of Care group has not yet been established.

Brain Injury – The Brain Injury Workgroup from a year ago does not have a formal charge, but they have expressed interest in getting back together to review and update what they did last year. They are expected to meet early in the fall.

Jack Willey indicated that several members of the Commission will be serving on workgroups and he would submit the names of any others who may be interested to DHS. Todd Lange asked if it would be possible to add a mental health consumer to the Transition Workgroup. Rick Shults responded that he would pass the request on to Chuck Palmer.

COMMITTEE ON COST INCREASES

Jack Willey appointed an ad hoc committee to work on developing a recommendation for the increased costs of providing services, as required in Senate File 2315. Deb Schildroth with chair the committee and other members are Patrick Schmitz, Lynn Grobe, Jill Davisson, and Dale Todd.

Rick Shults noted that the Commission has had a long-standing duty to recommend to the Governor an Allowed Growth Factor for MHDD funding each fall. This recommendation is a separate function called for in the Redesign bill. The language in Senate File 2315, reads, in part:

“Before completion of the department's budget estimate as required by section 8.23, the director of human services, in consultation with the commission, shall determine and include in the estimate the amount which in order to address the increase in the costs of providing services should be appropriated to the fund for the succeeding fiscal year.”

The committee will meet by conference call sometime prior to the next meeting and report back their proposed recommendation to the full Commission so that it can be forwarded to the Department before the budget is finalized.

BALANCING INCENTIVES PAYMENT PROGRAM (BIPP)

Iowa Medicaid Enterprise (IME) representatives, Deb Johnson, Bureau Chief for Long Term Care, and Liz Matney, Quality Assurance, gave a presentation on the Balancing Incentives Payment Program (BIPP). They shared a handout outlining the program, which is a grant opportunity through the Affordable Care Act (ACA). BIPP is a way for the federal government to push states toward providing a majority of their Medicaid long term services and supports in community based settings.

States qualified for the grants if their spending on community-based long term services and supports (LTSS) was less than their spending on facility-based LTSS and fell within certain percentages. According to CMS (Centers for Medicare and Medicaid), in FY 2009 Iowa was 33rd in the nation in the percentage of LTSS expenditures spent on home and community based services (HCBS), although Iowa's community based spending has increased since 2009. Iowa currently spends approximately 46.5% of its Medicaid LTSS funds on HCBS (up from 45% shown on the handout and continuing to increase).

Iowa's BIPP grant was approved effective July 1, 2012 and will continue through September 30, 2015. Iowa is receiving a 2% increase in its Medicaid federal match for non-institutional community based services. Iowa projected what would be spent in the next three years, and the award could be up to \$61.8 million. The actual amount will depend on the amount Iowa spends on community based LTSS during the grant period. Increasing the spending on community-based services doesn't mean that facility-based beds have to be closed. It does mean that the state is required to implement some specific steps to streamline access to services, improve efficiency, consistency, and fairness in eligibility determination and assessments, and ensure conflict-free case management. All of these requirements are consistent with the MHDS Redesign and Iowa's Olmstead Plan.

There are three main systemic expectations:

1. A "no wrong door" system
2. "Conflict-free" case management
3. A core standardized assessment tool and process

A no wrong door access point can be a place, a phone number, or a "virtual" door. The Iowa Department on Aging is in the process of going from 16 Area Agencies on Aging (AAAs) to 6 agencies that will be ADRCs (Aging and Disability Resource Centers) and they will be part of moving the no wrong door approach forward. As the new service regions are formed, they could also become ADRCs and will be part of a coordinated network of local entry points.

Conflict-free case management indicates that case managers will do case management, coordination of services, but not determine budgets or be the provider of services. They will work with individuals and families to develop a service plan, arrange

for services and supports, and direct and monitor their delivery to assure that the services meet the individual's needs and achieve their desired outcomes.

A core standardized assessment is intended to provide more equity in the system by identifying eligibility for non-institutional services and supports and guiding the development of person-centered service plans. The standardized assessment is used to determine how much the person gets in terms of funding and services based on their unique individual needs. Budgets will be based on need, not on individual caps. For people with intellectual disabilities (ID) the SIS (Supports Intensity Scale) will be used. A final decision still needs to be made on what tools will be used for people with mental illness and other populations. Iowa needs to submit a final work plan that conforms to CMS requirements by October 31, 2012 to get approval on how the money will be used.

The definition of "conflict-free" case management is not yet completely clear and many states have concerns about the ambiguity. She said the intent is noble but there also seems to be some understanding at the federal level that states have concerns about transitioning the systems that currently exist and there will be a lot of conversations between CMS, states, and national organizations on what it all means. Iowa has a good case management structure and many case managers are currently associated with a provider agency. Deb said the intention is not to disrupt the current system, but we have yet to see exactly what CMS will require. It is clear that it will be important for an independent agent to have final responsibility for the assessment and plan of care functions.

Zvia McCormick asked if people have to have a case manager. Deb responded that if people are accessing HCBS Waiver or Habilitation Services they must have a case manager of some sort, primarily to assist them in navigating the system. There are other services people can access without having a case manager.

In response to a question, Deb said that two ADRCs located in Waterloo and Iowa City are up and running, although they are not up to their full infrastructure capacity yet; we don't yet have everything that is needed to support a fully functioning ADRC. There really are not any ADRCs nationwide that have reached their full capacity yet. Liz Matney explained that the no wrong door/single entry point concept is more like a network. That network will include ACRCs as a component. ADRCs may be organized through the aging services system or through other disability system agencies or organizations. The network will also include a variety of brick and mortar locations, a website, and toll free phone number.

Deb said Iowa has a good start with the virtual system with Compass, 211, and Lifelong Links, who have already been talking about how to merge their systems; that was happening even before Iowa received the BIPP grant. The idea is that a person can call or walk in the door and get their Medicaid application going right then and there, understand what their options are, and get easier and quicker access to the services they need. That is the kind of thing that helps people stay out of institutions.

Gano Whetstone indicated she experienced some issues with case management and access to services and wondered if the BIPP changes would address those types of issues. Liz Matney responded that the core standardized assessment will provide more objectivity because what a person is eligible to receive will be determined by the assessment before plans are made with a case manager.

In response to a question, Deb Johnson said the selection of an assessment tool for people with brain injury will probably be based on the recommendation of the Brain Injury Workgroup.

Next Steps – during Fiscal Year 2013:

- Iowa will develop its No Wrong Door/Single Entry Point (NWD/SEP) System
 - The local point of entry required to be established by the MHDS Regions will be shaped to meet BIPP requirements
 - ADRCs will be incorporated into the NWD-SEP System
- Iowa will standardize assessment tolls and processes across populations
 - Consensus will be developed on what uniform assessment tolls and processes will be adopted
 - Uniform assessment tools and processes will be implemented, providing funding is approved
- Iowa will define steps to be taken to implement conflict-free case management
 - CMS expectations will be researched and fully understood
 - DHS will work with stakeholders to define standards that are consistent with federal BIPP requirements

A workgroup will oversee the BIPP grant activities over the next three years. IME and MHDS have been working together to assemble a core group of people with the same vision and will be contacting individuals to join that group, including consumers. If people are interested in serving on the workgroup they can submit their names to Deb Johnson for consideration.

Gano Whetstone asked if all current Medicaid programs will still be continued. Rick Shults responded that they will.

A lunch break was taken at 11:40 a.m.

The meeting resumed at 12:30 p.m.

DIRECTOR'S UPDATE ON ADMINISTRATIVE RULES DEVELOPMENT

DHS Director Chuck Palmer updated the Commission on Redesign activities and spoke to them about the development of administrative rules. He noted that the Commission would be asked later in the afternoon to begin thinking about what they want to see in rules as the criteria for the use of the Transition Fund and early discussion about what should be included in the exemption criteria for joining a region.

Guidance on Developing Rules for the Use of Transition Funding:

- The Transition Committee will meet on the 31st and will be discussing some of the same issues that have been discussed today
- According to the legislation, they are supposed to provide informational input to the Commission
- That group includes four legislators and it is important to be as clear as possible about legislative intent
- We have to assume that there will be transition money
- The cash flow issue is real in some counties
- The money the Legislature has identified is SCHIP (State Children's Health Insurance Program) money that Iowa received for having high enrollment on the HAWK-I Program
- The total was \$28 million - \$8 million was used for other purposes and \$20 million is being held for the purpose of addressing unintended consequences coming from the transition
- The idea first came out of the House that there would probably be things that were not anticipated in moving to a new system and a fund would be needed to help with any burdens that are unintentionally created
- The legislative intent was to use one-time money for a one-time need
- Need to be cautious about using it in a way that builds a bigger services system that will require continued support
- That happened in some cases with the Risk Pool money; it was used to build up services but there was no reliability that it would be there again the next year
- We want to avoid a cycle of building things up and taking them down
- There is a range of unintended consequences that are putting financial burdens on counties
- The challenge is how to address the transition funding needs in rules
- Jack and Patrick can carry the Commission's views to the first meeting of the Redesign Transition Committee to improve the quality of their discussion

Guidance on Developing Criteria for Exemption from Joining a Region:

- Start with the fact that the Legislature was clear it wants regions
- The language on exemptions is for unanticipated situations where counties can meet the criteria in the legislation to be a region on their own
- In the first year there could be a few counties that are isolated for any number of reasons; should they be forced into a cluster that doesn't want them or that they do not want to join?
- Do we need to be concerned about starting off by giving an exemption to a county that may not be able to continue to meet the criteria over time?
- Having an urban capacity in a region is ultimately important
- Some counties may be working together well, but can't achieve an economy of scale
- The CSS group is now up to 17 or 18 counties, has built trust and established an economy of scale; newer partners may need to develop a greater understanding of each other and greater trust to move forward

- The Commission's task is to propose what you think the rules should be for an exception, starting with the provisions that are in the Code
- The work today may produce more questions than content and that's good
- Applications or letters of intent need to be processed by October, so there is a short timeframe
- Because of the short timeframes, the rules will be emergency rules and will not have the public comment process upfront as fully as we would like
- Chuck noted that he has to have the DHS budget to the DHS Council by August 31 and will need to have the Commission's input on potential growth in time to include it in the budget
 - Will have to decide on what data to use for estimating growth/cost increases
 - Will have to decide on about recommendations for rolling out core survives in the first year, or trying to stabilize the system this year and infuse new pieces after that
 - There is also an issue of timing - does the first dollar go out at the beginning of the fiscal year to 99 counties, or do we wait until the regions start and have the funding go to the regions?

Chuck said he appreciates the Commission's recommendations; they will be made to him and to the Governor, and shared with the Human Services Council, which will go into deliberations and come out with their budget in September.

David Hudson asked if the statute requires that there be an exemption for counties or if there could be no exemption by rule. Chuck responded that there do need to be rules that establish the criteria which will be the legal base for making his determination.

Gano Whetstone asked when a decision on Medicaid expansion will be made. Chuck responded that on the national level, it has to be sustained by Congress. If President Obama is re-elected, it will be sustained, and if Mitt Romney is elected it could come back to both houses of Congress. If the present ACA law remains in place at the federal level, it becomes the decision of the State whether to expand or not and we may see a signaling of the Governor's position when he puts out his budget in January. We could also see the Legislature make an appropriation or pass authorizing language. It will be a process that plays out over time.

Chuck said we are learning more about Medicaid expansion all the time. We believe the number who would take advantage of it in Iowa is about 150,000, but the universe of people who could be eligible is probably close to 250,000. The majority of people would probably join in the first year. The number of low income people who are now covered by employer provided insurance that might enroll in Medicaid because their employer drops coverage is not known – that is referred to as the “crowd-out” effect. We also learned from Iowa's emphasis on getting children covered by HAWK-I, that for every new child that was enrolled on HAWK-I another Medicaid-eligible child was identified – that is referred to as the “woodwork” effect. It is clear that this will be a hot topic in the Legislature this year.

Gano Whetstone asked if people over 65 be eligible for the Medicaid expansion coverage. Chuck responded that they would probably be dual eligible, meaning that they would be eligible for Medicare and Medicaid would also pick up some of the things that Medicare does not cover.

COMMITTEE WORK SESSIONS

The Commission members met in committee from 1:00 p.m. to 2:15 p.m.

The members of the Regional Committee chaired by Jack Willey discussed criteria for exemption from joining regions. Committee members participating were: Lynn Crannell, Richard Crouch, David Hudson (by phone), Gary Lippe, Suzanne Watson, and Jack Willey.

The members of the Transition/Funding Committee chaired by Susan Seehase discussed the criteria for use of transition funds. Committee members participating were: Lynn Grobe, Richard Heitmann, Chris Hoffman, Zvia McCormick, Deb Schildroth, Patrick Schmitz, Susan Koch-Seehase, Dale Todd, and Gano Whetstone.

The meeting of the full Commission reconvened at 2:15 p.m.

Regional Committee Report: Jack Willey reported on the discussion of the Regional Committee related to criteria for exemption of counties from regions.

Jack asked Suzanne Watson to read an email she had received from a county supervisor who was concerned about regional exemption. The substance of the email said that:

- The county is strongly considering opting out and standing alone
- They believe that is best for the county and consumers
- They feel they are financially sound and can deliver efficient and high quality services
- They do not believe that forced regionalization is best for counties who “do it right”
- They believe counties should be able to opt out of regionalization and intend to challenge any standards that they think are set unreasonably high

Jack indicated the committee had a good discussion:

- Counties need to have the ability to demonstrate that they meet all criteria established by Code or rules
- An application form will need to be developed
- Acceptable methods of proof that criteria can be met will need to be developed
- Letters of agreement from providers may be required
- Counties/regions should be able to offer choice of providers

- If they will rely on contracting for services out of county or region they should be able to demonstrate that services are available and accessible to individuals reasonably close to home
- There should be a long term plan for sustaining services
- Motivation by larger vision of what legislature intended
- May be asked to address how counties around them may be negatively impacted
- The impact on smaller counties and the effects of single county regions on surrounding counties should be considered
- They should be able to demonstrate economies of scale
- The bar should be set high to support the Legislature's intent of regionalization, but not impossibly high
- Timeframes for exemptions will need to be determined
- The committee felt that fundamentally the criteria should be guided by the idea that exemptions should not be allowed if they jeopardize the service capacity of surrounding counties
- There is a realization that all services are not going to be duplicated in all counties and we should make sure no walls go up to limit access to services between counties or regions

Chuck Palmer noted that the development of rules are to operationalize what the legislature put in the law and move from what the law says to where it can be implemented; he said his decisions on approving or denying exemptions will have to be based on what the rules put forth. He said that while there is a core group of legislators who have thought this through, most legislators have not.

Dave Basler commented that he believes there was an intent for flexibility written into the bill, and that the intent that the service structure work for consumers and help people have a better life should drive the vision of what we are trying to accomplish.

Funding/Transition Committee Report: – Susan Koch-Seehase reported on the discussion of the Funding/Transition Committee:

- The group covered a lot of different ideas and concepts
- They still have many questions and want to get a better understanding of legislative intent
- They need to understand what core services truly means and once they are established how we move on to core plus services
- They want to develop a better understanding of the target populations and do not want to leave out anyone currently receiving services
- They want to look at measurement of sustainability
- They want to find out more about independent verification of county financial information and what is reasonable and consistent
- They spent a lot of time talking about unintended consequences and want more information on:
 - Medicaid eligibility procedures

- RCF vacancies
 - Counties having to hold state bills
 - Medicaid being underfunded
- They believe the goal is to keep services available and current and don't want reductions on services
- They want to know how long it takes for people to safely transition to other options
- They want to know how transition dollars will need to be used in moving from legal settlement to residency and the impact of that
- They recognize that services will not be available everywhere and want to know how will people access them and how transportation be addressed
- Will there be money for one-time needs that arise from changing the way things are done?
- They want to take a look at the Risk Pool rules and make some recommendations related to transition

Jack and Susan will work with Connie Fanselow to schedule conference calls for the two committees to continue their discussions.

NEXT MEETING

The next Commission meeting is scheduled for August 16 at ChildServe, located at 5406 Merle Hay Road in Johnston. It is expected that draft Transition Fund rules will be ready for the Commission to review and approve on an emergency basis.

PUBLIC COMMENT

Bob Bacon commented as a follow-up to the discuss on BIPP and the ADRCs, that at the federal level, a new Administration on Community Living has been created and there is a new awareness that the "D" in ADRC has not been fully addressed and that more work needs to be done on that.

Ann Riley commented that the Department of Transportation, in collaboration with the Department on Aging, has been awarded a three-year grant that will start in October. Over the 3-year period it will provide \$1 million to build an infrastructure to connect mobility coordinators and transportation brokerages, purchase locator services, and build a system statewide that will allow people to access information and get accessible transportation.

The meeting was adjourned at 2:50 p.m.

Minutes respectfully submitted by Connie B. Fanselow.